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# It's going to end 'extremely badly,' with stocks set to plummet 40% or more, warns Marc 'Dr. Doom' Faber

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- Marc Faber, the editor of "The Gloom, Boom & Doom Report,' isn't backing down from a dire prediction that would send stocks free-falling by 40 percent or more.
- He argues the stock market could see another "lurch" higher, but then investors may want to run for cover.

Stephanie Landsman | [@stephlandsman](#)  
Saturday, 24 Jun 2017 | 5:00 PM ET



If the man often hailed as the original "Dr. Doom" is right, the stock market could see another "lurch" higher — at which point investors may want to cash out quickly and run for cover.

Marc Faber, the editor of "The Gloom, Boom & Doom Report' and a perennial bear, isn't backing down from his latest dire prediction that would send stocks plummeting by 40 percent or more.

A drop of that size could take the **S&P 500** Index down from Friday's closing price of 2,438 to 1,463.

He used the meteoric rise of FANG stocks, which reflects [Facebook](#), [Apple](#), [Netflix](#) and [Google \(Alphabet\)](#), as a glaring bearish signal.

"We've had more than eight years of a bull market. The Nasdaq is being driven by very few stocks," said Faber on Friday's "[Trading Nation](#)." That rally "is not a particularly healthy sign from a technical point of view, and valuations are very high," the investor added.

Faber's comments come exactly two weeks after the [Nasdaq](#) set its latest intraday record high of 6,341.70.

"You know we have a lot of volatility, and when things will start to go down, they'll go down a lot," he said.

Faber is deeply concerned that wealth has flowed to big corporations and affluent people. He believes the imbalance could eventually disrupt the markets as we know it.

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"Either people with money will be taxed heavily ... or we'll have a massive deflation in asset prices — I repeat: massive," he warned. "Eventually the system will break."

Faber is known for correction calls over the years which have never materialized. But he's sticking by his latest call, acknowledging critics have "questioned my sanity."

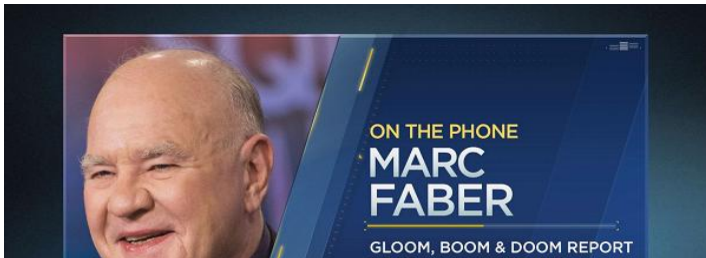
"We could print enough money that the Dow goes to 100,000. All I'm saying is it will end very badly, extremely badly," he said.

But it's not all gloom. Faber notes it could also give investors a rare "out-sized" buying opportunity similar to 2003 and 2009, when deep corrections gave traders a chance to load up on cheap assets.

Do you believe an 'epic' stock market pullback is coming?

- Yes
- No
- Not sure

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### The full interview with Marc 'Dr. Doom' Faber

Friday, 23 Jun 2017 | 4:35 PM ET | 05:50



**Stephanie Landsman**  
Producer, CNBC's "Fast Money"

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<a href="#">AAPL</a>	145.06	▲ 0.88	0.61%
<a href="#">FB</a>	153.50	▲ 2.06	1.36%
<a href="#">GOOGL</a>	951.00	▲ 10.19	1.08%



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#### Stacey Gilbert

Stacey Gilbert is the head of derivative strategy at Susquehanna.



#### Lawrence McDonald

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